

EXHIBIT 1

(Smith Declaration)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

**DECLARATION OF JEFFREY J. SMITH IN SUPPORT OF PATENO PAYMENTS,
INC.'S LIMITED RESPONSE CONTESTING JURISDICTION TO MOTION OF
THE DEBTORS FOR ENTRY OF ORDER (I) ENFORCING THE AUTOMATIC STAY
AND (II) AWARDING THE DEBTORS ATTORNEYS' FEES AND EXPENSES**

I, Jeffrey J. Smith, hereby solemnly affirm and declare that the following is true and correct to the best of my knowledge, information and belief:

1. I am a Director of Pateno,² which has its principal office at 736 Meridian Road NE Calgary, Alberta, Canada T2A 2N7. I am authorized to make this declaration on behalf of Pateno in support of the Limited Response.

2. Pateno is incorporated in Alberta, does business in Canada, and has no assets in the United States. Pateno further has no systemic business contacts with the United States.

3. On June 14, 2022, FTX Canada, also a corporation existing under the laws of the province of Alberta, and Pateno entered into the SPA.

¹ The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification numbers are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>

² Capitalized terms used herein, not otherwise defined, shall have the meanings ascribed them in *Pateno Payments, Inc.'s Limited Response Contesting Jurisdiction to Motion of the Debtors for Entry of Order (I) Enforcing the Automatic Stay and (II) Awarding the Debtors Attorneys' Fees and Expenses* (the "**Limited Response**"), filed concurrently herewith.

4. Pateno negotiated the SPA and Escrow Agreement in Canada, and FTX Canada negotiated from the Bahamas and Canada. No negotiations took place in the United States.

5. Both Pateno and FTX Canada were represented by Canadian counsel with respect to the Bitvo Transaction. The investment bankers assisting with the Bitvo Transaction were Canadian.

6. In these negotiations, the parties agreed to the exclusive jurisdiction of the Canadian courts as indicated by the SPA and Escrow Agreement.

7. At no point during the course of the negotiations of the SPA and Escrow Agreement did Pateno direct any activities relating thereto to the United States.

Dated: May 10, 2023



Jeffrey J. Smith
Director
Pateno Payments, Inc.

EXHIBIT 2

(Canadian Order)

CERTIFIED

E. Wheaton
by the Court Clerk as a true copy of the
document digitally filed on May 5, 2023

Clerk's Stamp:

COURT FILE NUMBER

2301-02187

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

PATENO PAYMENTS INC.

RESPONDENTS

FTX CANADA INC. AND TSX TRUST COMPANY

DOCUMENT

ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

Dentons Canada LLP
Bankers Court
15th Floor, 850 - 2nd Street S.W.
Calgary, Alberta T2P 0R8
Attn: David Mann, KC / John Regush
Ph. (403) 268-7097 / 7086 Fx. (403) 268-3100
File No.: 594747-1



DATE ON WHICH ORDER WAS PRONOUNCED:
LOCATION WHERE ORDER WAS PRONOUNCED:

April 13, 2023
Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER:

The Honourable Justice Neufeld

ORDER

UPON the application of Pateno Payments Inc. ("**Pateno**") originally returnable on March 2, 2023, having been adjourned by consent to be heard April 13, 2023 ("**Application**") to direct that TSX Trust Company ("**Escrow Agent**") release to Pateno the amount of USD\$2,000,000 plus interest thereon (collectively, "**Deposit**") held by the Escrow Agent pursuant to the Cash Escrow Agency Agreement dated June 14, 2022 in accordance with the terms of the Share Purchase Agreement between Pateno and FTX Canada Inc. ("**FTX Canada**") dated June 14, 2022 as amended by written agreement dated October 3, 2022 (as amended, "**SPA**"); AND UPON the application of FTX Canada for a further adjournment of the Application; AND UPON reading or hearing read the Affidavit of Pamela Draper affirmed February 15, 2023 and the Affidavit of John J. Ray III sworn April 10, 2023; AND UPON hearing submissions for counsel for Pateno, FTX Canada, and the Escrow Agent;

IT IS HEREBY ORDERED THAT:

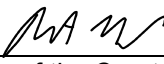
1. The Application is adjourned to May 29, 2023 at 2:00 p.m. ("**Hearing**"), which adjournment is peremptory.
2. The Deposit is to continue to be held by the Escrow Agent.
3. The Deposit is impressed with a trust in favour of Pateno until May 29, 2023 (the "**Court Ordered Trust**").
4. The Court Ordered Trust provides Pateno with a proprietary interest in the Deposit pending the Hearing.

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5. The Court Ordered Trust shall in no way prejudice any arguments of FTX Canada at the Hearing that it has and has had a proprietary interest in the Deposit.
6. The following deadlines shall apply to the parties in respect of the Application:

<u>Deadline</u>	<u>Step</u>
a) May 8, 2023	Pateno and FTX Canada to serve any additional affidavit evidence to be relied upon in respect of the Application.
b) May 12, 2023	Cross-examination on affidavits to be concluded.
c) May 17, 2023	Pateno to serve written argument in respect of the Application.
d) May 23, 2023	FTX Canada to serve written argument in respect of the Application.
e) May 25, 2023	Pateno to serve reply written argument, if any.
f) May 25, 2023	Parties to provide their respective affidavits, transcripts of cross-examination, and written argument to the Court by no later than 4:00 p.m.

7. The foregoing deadlines do not apply in respect of or modify any deadlines regarding applications or cross-applications other than the Application.
8. Approval of this Order by counsel for the Escrow Agent is dispensed with.
9. Costs of this Order may be addressed at the Hearing.



Justice of the Court of King's Bench of Alberta


Approved as the Order granted this 4th day of May, 2023 by:

Dentons Canada LLP, counsel for Pateno
Payments Inc.

Per: 

David Mann KC / John Regush

McCarthy Tétrault LLP, counsel for FTX Canada
Inc.

Per: 

Sean Collins